

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF SANITATION DISTRICT)	
NO. 1 OF MONTGOMERY COUNTY FOR AN)	
ADJUSTMENT OF RATES PURSUANT TO THE)	CASE NO. 9873
ALTERNATIVE PROCEDURE FOR SMALL UTILITIES)	

O R D E R

On February 26, 1987, Sanitation District No. 1 of Montgomery County ("Montgomery") filed its application seeking to increase its rates pursuant to the Alternative Rate Filing Procedure for Small Utilities.

Neither Montgomery nor the Commission sought a hearing in this matter. There were no intervenors and all requested information has been filed.

On April 7, 1987, the Commission staff conducted a field review of Montgomery's test period financial records and issued its report on July 15, 1987, containing the staff's recommendations. After careful review and investigation of the staff's recommendations the Commission is of the opinion that Montgomery will have adequate cash flow to meet its obligations and provide for future equity growth. Therefore, the Commission affirms the staff's recommended increase of \$3,472 and emphasizes the staff's advice regarding Montgomery's monitoring of its future operations in order to determine Montgomery's future financial needs.

FINDINGS AND ORDERS

1. The rates and charges in Appendix A are the fair, just, and reasonable rates and charges to be charged by Montgomery in that they should produce annual revenues of \$35,174.

2. Within 30 days of the date of this Order, Montgomery should file with this Commission its revised tariff sheets setting out the rates approved herein.

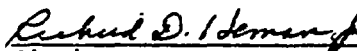
IT IS THEREFORE ORDERED that:

1. The rates and charges in Appendix A are the fair, just, and reasonable rates and charges to be charged by Montgomery for service rendered on and after the date of this Order.

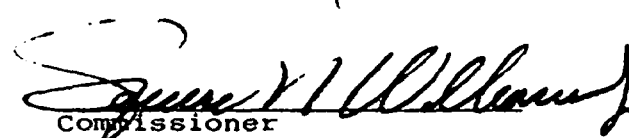
2. Within 30 days of the date of this Order, Montgomery shall file with this Commission its revised tariff sheets setting out the rates approved herein.

Done at Frankfort, Kentucky, this 29th day of September, 1987.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 9873 DATED 9/29/87

The following rates and charges are prescribed for the customers in the area served by Sanitation District No. 1 of Montgomery County. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

<u>Usage Blocks</u>	<u>Monthly Rates</u>
First 100 c.f.	\$4.15 Minimum
Next 600 c.f.	1.60 per 100 c.f.
Next 1,300 c.f.	1.45 per 100 c.f.
Next 1,300 c.f.	1.35 per 100 c.f.
Next 3,400 c.f.	1.20 per 100 c.f.
Next 6,600 c.f.	1.00 per 100 c.f.
Next 13,300 c.f.	.80 per 100 c.f.
Next 26,700 c.f.	.75 per 100 c.f.
Over 53,300 c.f.	.70 per 100 c.f.